



## TEXAS DEPARTMENT OF INSURANCE

### Division of Workers' Compensation - Medical Fee Dispute Resolution (MS-48)

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## MEDICAL FEE DISPUTE RESOLUTION FINDINGS AND DECISION

### GENERAL INFORMATION

**Requestor Name**

South Texas Health System

**Respondent Name**

Service Lloyds Insurance Co

**MFDR Tracking Number**

M4-17-2676-01

**Carrier's Austin Representative**

Box Number 01

**MFDR Date Received**

May 12, 2017

### REQUESTOR'S POSITION SUMMARY

**Requestor's Position Summary:** "Please note this was initially submitted to Service Lloyd's on 5/31/2016 to the correct address and you have denied this for past timely filing. This claim was submitted timely before the 95 day deadline and we feel should be processed for release of payment."

**Amount in Dispute:** \$4,213.08

### RESPONDENT'S POSITION SUMMARY

**Respondent's Position Summary:** "CorVel maintains the requestor, South Texas health System is not entitled to reimbursement for date of service 05/27/16 based on failure to timely submit a complete medical bill in accordance with the Texas Workers' Compensation Act and Division Rules."

**Response Submitted by:** Service Lloyds Insurance Co

### SUMMARY OF FINDINGS

Dates of Service	Disputed Services	Amount In Dispute	Amount Due
May 27, 2016	29822	\$4,213.08	\$0.00

### FINDINGS AND DECISION

This medical fee dispute is decided pursuant to Texas Labor Code §413.031 and applicable rules of the Texas Department of Insurance, Division of Workers' Compensation.

**Background**

1. 28 Texas Administrative Code §133.307 sets out the procedures for resolving medical fee disputes.
2. 28 Texas Administrative Code §133.20 sets out medical bill submission procedures for health care providers.
3. 28 Texas Administrative Code §102.4 establishes rules for non-Commission communications.
4. Texas Labor Code §408.027 sets out provisions related to payment of health care providers.
5. Texas Labor Code §408.0272 provides for certain exceptions to untimely submission of a medical claim.

6. The insurance carrier reduced payment for the disputed services with the following claim adjustment codes:
  - 219 – Based on extent of injury
  - 29 – The time limit for filing has expired
  - P14 – Payment is included in another svc/procdre occurring on same day
  - 234 – This procedure is not paid separately

### **Issues**

1. Was the extent of injury denial supported?
2. What is the timely filing deadline applicable to the medical bills for the services in dispute?
3. Did the requestor forfeit the right to reimbursement for the services in dispute?
4. Was evidence of a request for reconsideration found?

### **Findings**

1. The requestor is seeking reimbursement of Code 29822 – “Arthroscopy, shoulder, surgical; debridement, limited” for date of service May 27, 2016 in the amount of \$4,213.08. The insurance carrier denied the claim with reason code 219 – “Based on extent of injury.”

28 Texas Administrative Code §133.305(b) states that if a dispute over the extent of a covered work injury exists for the same service for which there is a medical fee dispute, the dispute regarding the extent of injury shall be resolved prior to the submission of a medical fee dispute.

Review of the documentation submitted by the parties finds that the carrier did not provided documentation to the Division to support that it filed a Plain Language Notice (PLN) regarding the disputed conditions as required by §133.307(d)(2)(H). The respondent did not submit information to MFDR, sufficient to support that the PLN had ever been presented to the requestor or that the requestor had otherwise been informed of PLN prior to the date that the request for medical fee dispute resolution was filed with the Division; therefore, the division finds that the extent of injury denial was not timely presented to the requestor in the manner required by 28 Texas Administrative Code §133.240. Because the service in dispute does not contain an unresolved extent of injury issue, this matter is ripe for adjudication of a medical fee under 28 Texas Administrative Code §133.307. For that reason, this matter is addressed pursuant to the applicable rules and guidelines.

2. The insurance carrier denied the disputed services with claim adjustment reason codes: 29 – “The time limit for filing has expired.” 28 Texas Administrative Code §133.20(b) requires that,

Except as provided in Texas Labor Code §408.0272, a health care provider shall not submit a medical bill later than the 95th day after the date the services are provided.

Texas Labor Code §408.0272(b) provides that:

Notwithstanding Section 408.027, a health care provider who fails to timely submit a claim for payment to the insurance carrier under Section 408.027(a) does not forfeit the provider's right to reimbursement for that claim for payment solely for failure to submit a timely claim if:

- (1) the provider submits proof satisfactory to the commissioner that the provider, within the period prescribed by Section 408.027(a), erroneously filed for reimbursement with:
  - (A) an insurer that issues a policy of group accident and health insurance under which the injured employee is a covered insured;
  - (B) a health maintenance organization that issues an evidence of coverage under which the injured employee is a covered enrollee; or
  - (C) a workers' compensation insurance carrier other than the insurance carrier liable for the payment of benefits under this title; or
- (2) the commissioner determines that the failure resulted from a catastrophic event that substantially interfered with the normal business operations of the provider.

No documentation was found to support that any of the exceptions described in Texas Labor Code §408.0272 apply to the services in this dispute. For that reason, the health care provider was required to submit the medical bill not later than 95 days after the date the disputed services were provided.

3. Texas Labor Code §408.027(a) states that "Failure by the health care provider to timely submit a claim for payment constitutes a forfeiture of the provider's right to reimbursement for that claim for payment." 28 Texas Administrative Code §102.4(h) states that:

Unless the great weight of evidence indicates otherwise, written communications shall be deemed to have been sent on:

- (1) the date received, if sent by fax, personal delivery or electronic transmission or,
- (2) the date postmarked if sent by mail via United States Postal Service regular mail, or, if the postmark date is unavailable, the later of the signature date on the written communication or the date it was received minus five days. If the date received minus five days is a Sunday or legal holiday, the date deemed sent shall be the next previous day which is not a Sunday or legal holiday.

Review of the submitted information finds a claim with a creation date of May 31, 2016 with the address listed in box 80 of "Service Lloyds Ins, P.O. Box 26850, Austin, TX 78755." No documentation to support that this medical bill was submitted within 95 days from the date the services were provided via fax, personal delivery, electronic transmission, or mailed within applicable time frame. Consequently, the requestor has forfeited the right to reimbursement due to untimely submission of the medical bill, pursuant to Texas Labor Code §408.027(a). The carrier's denial is supported.

4. The carrier states in their position statement, "CorVel hereby certifies a properly completed request for reconsideration was not received for date of service 05/27/16 prior to receipt of this request for medical fee dispute resolution. As such, CorVel respectfully requests the division issue a decision dismissing the request for MFDR in accordance with §133.307(f)(3)(A)."

Review of the submitted documentation finds a document titled "REQUEST FOR RECONSIDERATION" however this document was not dated. Therefore, the Division finds the carrier's position is supported.

### **Conclusion**

For the reasons stated above, the Division finds that the requestor has established that additional reimbursement is due. As a result, the amount ordered is \$0.00.

### ***ORDER***

Based on the submitted information, pursuant to Texas Labor Code Section 413.031, the division hereby determines the requestor is entitled to \$0.00 additional reimbursement for the services in dispute.

### **Authorized Signature**

		June 16, 2017
Signature	Medical Fee Dispute Resolution Officer	Date

### ***YOUR RIGHT TO APPEAL***

Either party to this medical fee dispute has a right to seek review of this decision in accordance with 28 Texas Administrative Code §133.307, effective May 31, 2012, *37 Texas Register 3833*, **applicable to disputes filed on or after June 1, 2012**.

A party seeking review must submit a **Request to Schedule a Benefit Review Conference to Appeal a Medical Fee Dispute Decision** (form **DWC045M**) in accordance with the instructions on the form. The request must be received by the Division within **twenty** days of your receipt of this decision. The request may be faxed, mailed or personally delivered to the Division using the contact information listed on the form or to the field office handling the claim.

The party seeking review of the MFDR decision shall deliver a copy of the request to all other parties involved in the dispute at the same time the request is filed with the Division. **Please include a copy of the *Medical Fee Dispute Resolution Findings and Decision*** together with any other required information specified in 28 Texas Administrative Code §141.1(d).

**Si prefiere hablar con una persona en español acerca de ésta correspondencia, favor de llamar a 512-804-4812.**